

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
COMBINED BUSINESS PROFITS TAX RETURN

For the CALENDAR year 2010 or other taxable period beginning and ending

SEQUENCE #4A

Due Date for CALENDAR year filers is on or before March 15, 2011 or for FISCAL filers the 15th day of the 3rd month after the close of the taxable period.

YOU ARE REQUIRED TO FILE THIS FORM IF YOUR GROSS BUSINESS INCOME WAS GREATER THAN \$50,000.

STEP 1 Print or Type NAME OF PRINCIPAL NEW HAMPSHIRE BUSINESS ORGANIZATION FEDERAL EMPLOYER IDENTIFICATION NUMBER, SOCIAL SECURITY NUMBER OR DEPARTMENT IDENTIFICATION NUMBER

STEP 2 Questions A Is the Business Organization filing its tax return on an IRS approved 52/53 week tax year? B Does the Business Organization file as part of a unitary group in any other jurisdiction? C Has the Business Organization been found to be unitary by any other jurisdiction? D Is this Business Organization affiliated with any other business organization not included within this combined return that files business tax returns with this department? E Were there any distributions made to NH residents?

STEP 3 Figure Your Taxes 1 Gross Business Profits (a) Combined Net Income from NH-1120-WE, Schedule I, Line 9 or if IRC Reconciliation is required, Line 4 of Schedule R (b) Separate entity and other items of income or expense not allowed for on this form (c) Subtotal (d) Foreign Dividends (e) New Hampshire Combined Net Income 2 Additions and Deductions (a) Add back income taxes or franchise taxes measured by income (b) New Hampshire Net Operating Loss Deduction (c) Interest on direct US Obligations (d) Wage adjustment required by IRC Section 280C (e) Foreign dividend gross-up (f) Research contribution (g) Add back return of capital from Qualified Investment Capital Company (h) Combine Lines 2(a) through 2(g). 3 Adjusted Gross Business Profits 4 New Hampshire Apportionment 5 New Hampshire Water's Edge Taxable Business Profits 6 New Hampshire Foreign Dividends Taxable Business Profits 7 New Hampshire Taxable Business Profits 8 New Hampshire Business Profits Tax (Line 7 x 8.5%)

STEP 4 Figure Your Credits 9 Credits allowed under RSA 77-A:5 (Attach Form DP-160-WE) 10 Subtotal (Line 8 minus Line 9) 11 New Hampshire Business Enterprise Tax Credit 12 New Hampshire Business Enterprise Tax Credit to be applied against Business Profits Tax (Enter the lesser of Line 10 or Line 11) 13 New Hampshire Business Profits Tax Net of Statutory Credits (Line 10 minus Line 12)

ENTER THE AMOUNT FROM LINE 13 ON LINE 1(b) OF THE BT- SUMMARY FORM. THIS RETURN MUST BE FILED WITH THE BT-SUMMARY AND ALL APPLICABLE FEDERAL SCHEDULES.



NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
COMBINED BUSINESS PROFITS TAX RETURN
FORM NH-1120-WE INSTRUCTIONS

STEP 1: NAME & IDENTIFICATION NUMBER

At the top of the return enter the beginning and ending dates of the taxable period if different from the calendar year. PRINT the taxpayer's name, or identification number in the spaces provided. Federal Employer Identification Number (FEIN) and Social Security Numbers (SSN) are required pursuant to the authority granted by 42 U.S.C.S., Section 405. Wherever federal employer identification numbers are required, taxpayers who have been issued a Department Identification Number (DIN), shall use their DIN only, and not their SSN or FEIN.

STEP 2: QUESTIONS

- Line A Check "yes" if the business organization files its tax return on an IRS approved 52/53 week tax year. If yes, provide the beginning and ending period dates.
- Line B Check "yes" if the business organization files as part of a unitary group in any other jurisdiction.
- Line C Check "yes" if the business organization has been found to be unitary by any other jurisdiction regardless of its filing status in that jurisdiction.
- Line D Check "yes" if the business organization is affiliated with any other business organization not included within this combined return that files business tax returns with the Department.

STEP 3: FIGURE YOUR TAXES

IRC Reconciliation: Check box and complete the Schedule R.

LINE 1: NEW HAMPSHIRE COMBINED NET INCOME

- (a) Enter Combined Net Income from NH-1120-WE, Schedule I, Line 9. If you checked the IRC Reconciliation box, Line 4 of the Schedule R is entered here.
- (b) Enter the amounts, which arise from the necessity of adjusting gross business profits to accommodate the New Hampshire requirement of separate entity treatment for business organizations. Other items of income could be passive activity adjustments, and items of income or expense related to treatment of these items that may be inconsistent with State tax treatment.
- (c) Enter the amount of Line 1(a) adjusted by Line 1(b). If negative, show in parenthesis, e.g. (\$50). If Line 1(c) shows a loss AND there are two or more New Hampshire nexus members in the combined group, then the New Hampshire Net Operating Loss (NOL) carryforward available for future deduction must be allocated amongst the members of the combined group in accordance with N.H. Code of Admin. Rules, Rev. 303.03. The loss must be reported on Form DP-132-WE, Combined Net Operating Loss (NOL) Deduction, for the year in which the deduction is claimed.

Administrative Rules and Statutes for the Business Enterprise Tax and the Business Profits Tax as well as NOL provisions are available on our web site at www.nh.gov/revenue, within the laws and rules section. If you have specific questions concerning net operating loss provisions for combined filers contact the NH DRA, PO Box 457, Concord, NH 03302-0457, telephone (603) 271-2191. Individuals with hearing or speech impairments may call TDD Access Relay NH 1-800-735-2964.

- (d) Foreign Dividends [RSA 77-A:3, II(b)] that are from overseas business organization payors must be included in Line 1(a) above in order to be deducted here. This amount must equal the total of column B on Schedule III. Failure to complete page 2 of the return and Schedules II and III could result in the inclusion of dividend income without factor relief or worldwide combination.
- (e) Line 1(c) adjusted by Line 1(d). Show negative amount in parenthesis, e.g. (\$50).

LINE 2: ADDITIONS AND DEDUCTIONS

- (a) Enter the total New Hampshire Business Profits Tax and any income tax, franchise tax measured by net income or capital stock tax assessed by any state or political subdivision that was deducted on this year's federal return. Do not include the New Hampshire Business Enterprise Tax liability in this amount. Attach a schedule of taxes by state.(b) Enter the amount of carryover loss available as shown on Line 12 of Form DP-132-WE. Form DP-132-WE must be attached to the return. Refer to the instructions on the reverse side of Form DP-132-WE for the NOL carryover restrictions and allocation provisions.
- (c) Enter the amount of gross business profits as is attributable to income derived from non-taxable interest on notes, bonds or other direct securities of the United States government.
- (d) Enter the amount of the jobs credit [IRC Section 280C(a)] deducted on this year's federal return.

- (e) Enter the amount of gross business profits that is attributable to foreign dividend gross-up as determined in accordance with IRC Section 78.
- (f) In the case of a business organization which makes qualified research contributions as defined in RSA 77-A:1, X, the gross business profits shall be adjusted by: (a) adding to gross business profits the amount deducted under IRC Section 170 in arriving at federal taxable income; and (b) deducting from gross business profits an amount equal to the sum of the taxpayer's basis in the contributed property plus 50 percent of the unrealized appreciation, or twice the basis of the property, whichever is less.
- (g) Enter an addition equal to any return of capital previously taken as a deduction pursuant to RSA 77-A:4, XVII as a capital contribution to a Qualifying Investment Capital Company if such return of capital is received within 3 taxable periods after the taxable period in which it was deducted. Attach a schedule listing name, FEIN and the amount paid.
- (h) Enter the total of Lines 2(a) through 2(g) on Line 2(h), showing negative amounts in parenthesis, e.g. (\$50).

LINE 3: ADJUSTED GROSS BUSINESS PROFITS

Enter the total of Line 1(e) as adjusted by Line 2(h). Show negative amounts in parenthesis, e.g. (\$50).

LINE 4: NEW HAMPSHIRE APPORTIONMENT

Complete Form DP-80, Schedule A, Apportionment of Income. Enter resulting apportionment on Line 4 of your Form NH-1120-WE, expressed as a decimal to six places. Form DP-80 must be attached to Form NH-1120-WE.

LINE 5: Enter the product of Line 3 multiplied by Line 4.

LINE 6: Enter the New Hampshire foreign dividends taxable business profits from Schedule II, Line 7.

LINE 7: Enter the sum of Line 5 plus Line 6.

LINE 8: Enter the product of Line 7 multiplied by 8.5%.

STEP 4 FIGURE YOUR CREDITS

LINE 9: CREDITS

Enter the amount of credits allowed under RSA 77-A:5. **Form DP-160-WE, Schedule of Business Profits Tax Credits, must be filed with the return to support all credits claimed on Line 9.** Do not include the BET credit on this line.

LINE 10: Enter the amount from Line 8 minus Line 9.

LINE 11: BUSINESS ENTERPRISE TAX CREDIT

Business Enterprise Tax paid shall be applied as a credit against Business Profits Tax. Any unused portion of the credit may be carried forward and allowed against Business Profits Tax due for up to 5 taxable periods from the period in which the Business Enterprise Tax was paid. To calculate the BET credit to be applied against this year's Business Profits Tax, complete the BET-Credit Worksheet.

LINE 12: Enter the lesser amount of Line 10 or Line 11. If Line 11 is greater than Line 10, then a Business Enterprise Tax credit carryforward exists. Any unused portion of the current periods's Business Enterprise Tax Credit may be carried forward and credited against any Business Profits tax due in a subsequent taxable period following the tax period of the BPT liability.

LINE 13: Enter the amount of Line 10 minus Line 12.

ENTER THE AMOUNT FROM LINE 13 ONTO LINE 1(b) OF THE BT-SUMMARY FORM.

WATER'S EDGE COMBINED GROUP BUSINESS PROFITS TAX AFFILIATION SCHEDULE INSTRUCTIONS.

Form NH-1120-WE Affiliation Schedule replaces Form AU-20. It must be completed in its entirety and submitted with the NH-1120-WE. This page identifies the principal New Hampshire business organization, as defined in Rev 301.24, other members of the Water's Edge Combined Group, as defined in RSA 77-A:1 and those affiliates excluded from the group as non-unitary or qualified overseas business organizations as defined by RSA 77-A:1.